Two-Price Wheat Act

I am happy that the Prime Minister of Canada has taken part in discussions just recently in Venice with other world leaders, offering his participation in a Summit meeting in accordance with the Brandt report. This will involve approximately 25 countries, including OPEC and other industrialized and developed countries of the world. I think this is an urgent matter which cannot wait any longer. I am proud that our Prime Minister has taken a stand on behalf of Canada, and the sooner we get on with that, the better.

However, I want to say that I saw something of a project which Canada, our government and my department of Agriculture, are sponsoring in Tanzania. We are showing young Africans how to become self-sufficient in food. Sure, it costs us some money, but these are people who need the technology and scientific information. I realize that we have need for some of these things in our own country. But we will be funding outside of the city of Arusha, \$6 million for an agricultural scientific laboratory. We are spending millions of dollars showing these young farmers how to produce wheat in their own country. They are being shown how to become self-sufficient. They are being taught how to work with their hands, rather than holding out their hands, asking someone to feed them. These young Africans were proud and happy to learn how to be productive.

• (1530)

Who was working with them? Farmers, husband and wife teams from Alberta, Saskatchewan and Manitoba were living and working in the same environment with these young Africans. Some of these people originally signed two or three-year contracts. Some have now been there over five years, going on six. They say they must stay longer to ensure that these young people grasp the technology to be able to operate the huge diesel tractors, grain swathers and cultivators that are being used. Most of this equipment, although not all, comes from Canada. It is provided by Canadian taxpayers' dollars.

Many times we hear criticisms about some of the world projects to assist people, in which we are involved. It is wonderful to see these people become self-sufficient. Dignity is being provided to these young people. The President of Tanzania was very proud of the effort of this government working in close co-operation with his government, doing some of those things talked about earlier by members of this House.

More of this kind of action is necessary. There is urgent need to assist many millions of people in that and other parts of the world now. We cannot haggle and argue about such things as the economy, balanced budgets, and so on. I for one could not live with my conscience if I pitted the economy of one country against the death of another.

Mr. Deputy Speaker: Is the House ready for the question?

Some hon. Members: Question.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

TWO-PRICE WHEAT ACT

MEASURE TO AMEND

The House resumed, from Friday, June 6, consideration of the motion of Mr. Pepin that Bill S-6, to amend the Two-Price Wheat Act, be read the second time and referred to the Standing Committee on Agriculture.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I appreciate the opportunity of being able to speak on this bill regarding the Two-Price Wheat Act. There are a number of points I want to make because, like everything else in politics, there are a number of myths that float around this statute, as with everything else that occurs here.

First, it is interesting to note that the only reason we are debating this bill is to protect the government retroactively from a lawsuit that it will face if the act is not passed. It is interesting that the Liberal Government of Canada let it ride for all these many years and now, in order to save its own skin, is retroactively passing a bill which will save several hundred millions of dollars. In effect it is another case of a government having its people bear the cost of a statute that it itself passed and took the benefit of, for several years.

There is another myth that often gets play in the media. I believe most consumers in the nation think that this statute is on the books in order to subsidize producers. Some ministers have indicated that it is not a producer subsidy. It is a consumer subsidy. The point has to be made that the government, as part of an over-all cheap food policy, has subsidized the consumers of bread in this nation to the extent of some \$396 million.

It is true that originally there was a floor price for the producers of \$3.25. It is true that that floor price was increased on a couple of occasions and now sits at \$5. The point that needs to be made about that is that the floor price was always increased behind the actual world price for grain. It has been a sham. The government has been taking the benefit of an alleged increase in the floor price when, in fact, the world price has been much higher.

The maximum price paid by the millers of bread grain was to be \$5. The result of that was that if the world price of grain were more than \$3.25, the taxpayers of Canada, regardless of whether they ate bread, pasta, or whatever, would be paying a subsidy to those who ate bread. At that price the maximum subsidy by the taxpayers would be \$1.75 a bushel.

When and if—and in fact it did—the world price of grain goes above \$5 a bushel, the consumers of bread are still being subsidized, but no longer is that payment being made by the taxpayers of Canada generally. That payment is being made by the farmers of this country, and basically those are the